

Pipeline and Hazardous Materials Safety Administration

NOTICE OF AMENDMENT

<u>CERTIFIED MAIL - RETURN RECEIPT REQUESTED</u>

August 1, 2007

Mr. Robert Pirt President Portland Natural Gas Transmission System, LLC One Harbour Place, S-375 Portsmouth, NH 03081

CPF 1-2007-1007M

Dear Mr. Pirt:

During the week of April 23, 2007, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Portland Natural Gas Transmission System's (PNGTS) corrosion procedures in Windham, Maine.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within PNGTS's plans or procedures, as described below:

1. §192.463 External corrosion control: Cathodic protection

(a) Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in Appendix D of this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria.

PNGTS's procedures 453 and EDMS 004258833 do not state explicitly that the measured pipe to soil voltage measurements must be a negative voltage of at least 0.85 volts to indicate an adequate level of cathodic protection. The procedures do not state that the voltage measurement must consider the effect of voltage (IR) drops in the voltage measurement.

- 2. § 192.465 External corrosion control: Monitoring.
 - (d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

PNGTS's procedures 453 and EDMS 004258833 do not specify a time frame for correcting any deficiencies indicated by external corrosion monitoring.

- 3. § 192.473 External corrosion control: Interference currents.
 - (a) Each operator whose pipeline system is subjected to stray currents shall have in effect a continuing program to minimize the detrimental effects of such currents.

Apparently there is no PNGTS written plan or procedure that addresses this code requirement.

- 4. § 192.481 Atmospheric corrosion control: Monitoring.
 - (c) If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by §192.479.

PNGTS's EDMS 004266539 does not specify a time frame for evaluating data and determining a course of remedial action to correct deficiencies indicated by atmospheric corrosion control monitoring.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 60 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to CPF 1-2007-1007M and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Byton Coy, PE

Director, Eastern Region

Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Compliance Proceedings